

Registre de Commerce et des Sociétés

Numéro RCS : B101818

Référence de dépôt : L170040836

Déposé et enregistré le 15/03/2017

BXSOCLP20170224T17582801_001

RCSL Nr. : B101818

Matricule : 2004 2413 314

eCDF entry date : 14/03/2017

BALANCE SHEET

Financial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

Amazon EU S.à r.l.

5, Rue Plaetis

L-2338 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid			
I. Subscribed capital not called	1101 _____	101 _____	102 _____
II. Subscribed capital called but unpaid	1103 _____	103 _____	104 _____
	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 1.266.625.900,00	110 1.388.309.587,00
I. Intangible assets	1111 _____ 3	111 28.832.421,00	112 44.616.114,00
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 28.832.421,00	116 44.616.114,00
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 28.832.421,00	118 44.616.114,00
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____ 4	125 30.194.685,00	126 20.569.644,00
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 <u>26.493.804,00</u>	132 <u>19.632.100,00</u>
4. Payments on account and tangible assets in the course of construction	1133 _____	133 <u>3.700.881,00</u>	134 <u>937.544,00</u>
III. Financial assets	1135 _____	135 <u>1.207.598.794,00</u>	136 <u>1.323.123.829,00</u>
1. Shares in affiliated undertakings	1137 _____ 5	137 <u>1.206.235.815,00</u>	138 <u>1.323.123.829,00</u>
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____	145 _____	146 _____
6. Other loans	1147 _____	147 <u>1.362.979,00</u>	148 _____
D. Current assets	1151 _____	151 <u>7.844.449.144,00</u>	152 <u>7.775.249.100,00</u>
I. Stocks	1153 _____ 6	153 <u>2.974.504.263,00</u>	154 <u>2.493.193.563,00</u>
1. Raw materials and consumables	1155 _____	155 <u>8.786.358,00</u>	156 <u>8.345.182,00</u>
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 <u>2.965.717.905,00</u>	160 <u>2.484.848.381,00</u>
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 <u>1.161.364.211,00</u>	164 <u>2.196.029.942,00</u>
1. Trade debtors	1165 _____ 7	165 <u>837.073.126,00</u>	166 <u>732.201.249,00</u>
a) becoming due and payable within one year	1167 _____	167 <u>837.073.126,00</u>	168 <u>732.201.249,00</u>
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____ 8	171 <u>310.813.271,00</u>	172 <u>1.455.720.560,00</u>
a) becoming due and payable within one year	1173 _____	173 <u>114.929.905,00</u>	174 <u>415.093.760,00</u>
b) becoming due and payable after more than one year	1175 _____	175 <u>195.883.366,00</u>	176 <u>1.040.626.800,00</u>
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 <u>13.477.814,00</u>	184 <u>8.108.133,00</u>
a) becoming due and payable within one year	1185 _____	185 <u>13.477.814,00</u>	186 <u>8.108.133,00</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

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	Reference(s)	Current year	Previous year
III. Investments	1189 <u>9</u>	189 <u>205.635.737,00</u>	190 <u>111.007.633,00</u>
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 <u>205.635.737,00</u>	196 <u>111.007.633,00</u>
IV. Cash at bank and in hand	1197 _____	197 <u>3.502.944.933,00</u>	198 <u>2.975.017.962,00</u>
E. Prepayments	1199 _____	199 <u>23.642.351,00</u>	200 <u>5.560.774,00</u>
TOTAL (ASSETS)		201 <u>9.134.717.395,00</u>	202 <u>9.169.119.461,00</u>

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 10	301 902.216.277,00	302 402.329.776,00
I. Subscribed capital	1303	303 37.500,00	304 37.500,00
II. Share premium account	1305	305 520.905.813,00	306 70.905.813,00
III. Revaluation reserve	1307	307 61.343.146,00	308 54.523.081,00
IV. Reserves	1309	309 2.543.550,00	310 3.148.625,00
1. Legal reserve	1311	311 3.750,00	312 3.750,00
2. Reserve for own shares	1313	313	314
3. Reserves provided for by the articles of association	1315	315	316
4. Other reserves, including the fair value reserve	1429	429 2.539.800,00	430 3.144.875,00
a) other available reserves	1431	431	432
b) other non available reserves	1433	433 2.539.800,00	434 3.144.875,00
V. Profit or loss brought forward	1319	319 274.319.832,00	320 -15.338.604,00
VI. Profit or loss for the financial year	1321	321 43.066.436,00	322 481.777.653,00
VII. Interim dividends	1323	323	324 -192.724.292,00
VIII. Capital investment subsidies	1325	325	326
B. Provisions	1331	331	332
1. Provisions for pensions and similar obligations	1333	333	334
2. Provisions for taxation	1335	335	336
3. Other provisions	1337	337	338
C. Creditors	1435	435 7.256.263.139,00	436 7.962.386.805,00
1. Debenture loans	1437	437	438
a) Convertible loans	1439	439	440
i) becoming due and payable within one year	1441	441	442
ii) becoming due and payable after more than one year	1443	443	444
b) Non convertible loans	1445	445	446
i) becoming due and payable within one year	1447	447	448
ii) becoming due and payable after more than one year	1449	449	450
2. Amounts owed to credit institutions	1355	355	356
a) becoming due and payable within one year	1357	357	358
b) becoming due and payable after more than one year	1359	359	360

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Matricule : 2004 2413 314

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____ 11	367 _____ 5.057.273.793,00	368 _____ 4.222.193.224,00
a) becoming due and payable within one year	1369 _____	369 _____ 5.057.273.793,00	370 _____ 4.222.193.224,00
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ 12	379 _____ 1.638.216.982,00	380 _____ 3.233.576.971,00
a) becoming due and payable within one year	1381 _____	381 _____ 1.633.148.839,00	382 _____ 1.575.471.062,00
b) becoming due and payable after more than one year	1383 _____	383 _____ 5.068.143,00	384 _____ 1.658.105.909,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____	451 _____ 560.772.364,00	452 _____ 506.616.610,00
a) Tax authorities	1393 _____ 13	393 _____ 216.379.023,00	394 _____ 187.240.586,00
b) Social security authorities	1395 _____	395 _____ 17.919.294,00	396 _____ 12.325.383,00
c) Other creditors	1397 _____ 14	397 _____ 326.474.047,00	398 _____ 307.050.641,00
i) becoming due and payable within one year	1399 _____	399 _____ 267.589.764,00	400 _____ 249.755.209,00
ii) becoming due and payable after more than one year	1401 _____	401 _____ 58.884.283,00	402 _____ 57.295.432,00
D. Deferred income	1403 _____ 15	403 _____ 976.237.979,00	404 _____ 804.402.880,00
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 9.134.717.395,00	406 _____ 9.169.119.461,00

Registre de Commerce et des Sociétés

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eCDF entry date : 14/03/2017

PROFIT AND LOSS ACCOUNT

Financial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

Amazon EU S.à r.l.

5, Rue Plaetis

L-2338 Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701	21.627.152.409,00	18.616.573.953,00
2. Variation in stocks of finished goods and in work in progress	1703		
3. Work performed by the undertaking for its own purposes and capitalised	1705		
4. Other operating income	1713	1.349.195,00	6.483.961,00
5. Raw materials and consumables and other external expenses	1671	-21.421.250.089,00	-18.507.228.537,00
a) Raw materials and consumables	1601	-16.155.854.329,00	-14.032.256.737,00
b) Other external expenses	1603 16	-5.265.395.760,00	-4.474.971.800,00
6. Staff costs	1605 17 & 18	-284.569.446,00	-159.533.525,00
a) Wages and salaries	1607	-233.409.077,00	-133.261.410,00
b) Social security costs	1609	-51.160.369,00	-26.272.115,00
i) relating to pensions	1653	-14.725.182,00	-8.512.361,00
ii) other social security costs	1655	-36.435.187,00	-17.759.754,00
c) Other staff costs	1613		
7. Value adjustments	1657	-2.160.235,00	-32.842.174,00
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 3 & 4	-11.221.443,00	-7.186.048,00
b) in respect of current assets	1661 6 & 7	9.061.208,00	-25.656.126,00
8. Other operating expenses	1621 19	-79.825.455,00	-65.650.827,00

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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715 <u>5</u>	715 <u>317.968.109,00</u>	716 <u>687.156.870,00</u>
a) derived from affiliated undertakings	1717 _____	717 <u>317.968.109,00</u>	718 <u>687.156.870,00</u>
b) other income from participating interests	1719 _____	719 _____	720 _____
10. Income from other investments and loans forming part of the fixed assets	1721 _____	721 <u>148.006,00</u>	722 <u>410.351,00</u>
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income not included under a)	1725 _____	725 <u>148.006,00</u>	726 <u>410.351,00</u>
11. Other interest receivable and similar income	1727 <u>20</u>	727 <u>64.982.448,00</u>	728 <u>41.728.943,00</u>
a) derived from affiliated undertakings	1729 <u>8</u>	729 <u>12.090.568,00</u>	730 <u>10.620.466,00</u>
b) other interest and similar income	1731 _____	731 <u>52.891.880,00</u>	732 <u>31.108.477,00</u>
12. Share of profit or loss of undertakings accounted for under the equity method	1663 _____	663 _____	664 _____
13. Value adjustments in respect of financial assets and of investments held as current assets	1665 <u>5</u>	665 <u>-20.376.785,00</u>	666 <u>-675.938,00</u>
14. Interest payable and similar expenses	1627 <u>21</u>	627 <u>-138.255.805,00</u>	628 <u>-150.043.818,00</u>
a) concerning affiliated undertakings	1629 <u>5 & 12</u>	629 <u>-39.568.389,00</u>	630 <u>-71.916.328,00</u>
b) other interest and similar expenses	1631 _____	631 <u>-98.687.416,00</u>	632 <u>-78.127.490,00</u>
15. Tax on profit or loss	1635 <u>13</u>	635 <u>-16.568.782,00</u>	636 <u>47.698.886,00</u>
16. Profit or loss after taxation	1667 _____	667 <u>48.593.570,00</u>	668 <u>484.078.145,00</u>
17. Other taxes not shown under items 1 to 16	1637 <u>13</u>	637 <u>-5.527.134,00</u>	638 <u>-2.300.492,00</u>
18. Profit or loss for the financial year	1669 _____	669 <u>43.066.436,00</u>	670 <u>481.777.653,00</u>

Registre de Commerce et des Sociétés

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Déposé le 15/03/2017

**Amazon EU S.à r.l.
5, rue Plaetis
L-2338 Luxembourg**

**Subscribed Capital: EUR 37,500
R.C.S. Luxembourg B 101.818**

**Annual accounts as at 31 December 2016 and
Independent auditor's report**

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Ernst & Young
Société anonyme

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Independent auditor's report

To the Shareholder of
Amazon EU S.à r.l.
5, rue Plaetis
L-2338 Luxembourg

Report on the annual accounts

We have audited the accompanying annual accounts of Amazon EU S.à r.l. (the "Company"), which comprise the balance sheet as at 31 December 2016 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Managers responsibility for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts and for such internal control as the Board of Managers determines is necessary to enable the preparation and presentation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the "réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the "réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the "réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managers, as well as evaluating the overall presentation of the annual accounts.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Amazon EU S.à r.l. as at 31 December 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Managers, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in black ink, appearing to read "Gaël Denis", is written over a horizontal line.

Gaël Denis

Luxembourg, 17 February 2017

Amazon EU S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 1 - General

Amazon EU S.à r.l. (the "Company") was incorporated in Luxembourg on 8 June 2004. The registered office is established at 5, rue Plaetis, L-2338 Luxembourg. The registration number is B 101.818.

The financial year begins on 1 January and ends on 31 December of each year.

The Company's principal purpose is to sell goods and services through certain websites. The Company also holds interests in other companies and other assets.

The Company has registered branches in France, Germany, Italy, Spain and the United Kingdom.

The Company's accounts are included within the consolidated accounts of Amazon.com, Inc., located in the United States at 410 Terry Avenue North, Seattle, Washington 98109-5210, USA.

As Amazon.com, Inc., which is the ultimate parent, prepares consolidated accounts, the Company is exempt from preparing consolidated accounts. These consolidated accounts are available at the ultimate parent company's office located in the United States.

Note 2 - Significant accounting policies

General principles

The annual accounts are drawn up in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg.

Presentation and basis of the annual accounts

Certain modifications have been made to the format of the annual accounts for the year ended 31 December 2016 in conformity with the changes brought by the law of 18 December 2015. These modifications affect the presentation of certain balances but they have no net impact on the result of the Company. Certain prior year amounts have been reclassified to conform to the current year format.

Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at cost less accumulated depreciation and amortisation and any impairment adjustments. Depreciation and amortisation are calculated on a straight line basis over the estimated useful life of the assets (1 to 5 years for intangible fixed assets and 3 to 10 years for tangible fixed assets). The carrying values of tangible and intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Financial fixed assets

Shares in affiliated undertakings are valued at their historical cost.

When management considers that a permanent impairment in value of financial fixed assets exists, a value adjustment is recognized, so that they are valued at the lower value to be attributed to them at the balance sheet date. These value adjustments may not be continued if the events for which the value adjustments were made have ceased to apply.

Amazon EU S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 2 - Significant accounting policies (continued)

Stocks

Stocks are accounted for using the FIFO method, and are valued at the lower of cost or market value. This valuation requires the Company to make judgments, based on current available information, about the likely method of disposition, such as through sales to individual customers, returns to product vendors, or liquidations, and expected recoverable values of each disposition category. Based on this evaluation, the Company adjusts the carrying amount of goods for resale to lower of cost or market value.

Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their reimbursement is partly or completely in doubt. These value adjustments may not be continued if the reasons for which the value adjustments were made have ceased to apply.

Other investments

Investments primarily consist of government bonds, government agency securities and other investment grade securities including AAA-rated money market funds. They are valued at the lower of cost or market value.

Cash at bank and in hand

Cash at bank includes cash with banks and short term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of ninety days or less and that are subject to an insignificant risk of a change in value.

Foreign currency translation

The Company maintains its books and records in EUR. Transactions in other currencies are translated into EUR at the rates of exchange prevailing on the dates of the transactions.

Non-monetary assets and liabilities denominated in other currencies are translated into EUR at the historical exchange rate. Other assets and liabilities denominated in other currencies are translated into EUR at the exchange rate at the balance sheet date. Realized exchange gains and losses and unrealized exchange losses are reflected in the profit and loss account. Unrealized exchange gains are reflected in "Revaluation reserve".

The Company has a business unit which transacts most of its business in Great Britain Pound ("GBP"). For purposes of including this business unit into the annual accounts of the Company, the balance sheet is translated from GBP to EUR using the closing rate method, including amounts owed between the GBP business unit and EUR business units. Profit and loss accounts are translated at average exchange rates prevailing throughout the year. Exchange differences arising from this translation are recorded in Capital and reserves under "Revaluation reserve".

Amazon EU S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 2 - Significant accounting policies (continued)

The following table presents the currency translation rates from GBP to EUR as of 31 December 2016 and 2015, and the average rates for the years ended 31 December 2016 and 2015.

2016	31 December 2016	2015	31 December 2015
Average rate	Closing rate	Average rate	Closing rate
1.22	1.17	1.38	1.36

Creditors

Debts are recorded at their repayment value.

Revenue recognition

The Company recognizes revenues for products sold and other revenue when the following four recognition criteria are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the selling price is fixed or determinable, and collectibility is reasonably assured. Revenue arrangements with multiple deliverables are divided into separate units and revenue is allocated to each element based on their relative selling prices. Depending on the element, the revenue is either recognized upon delivery or on a straight line basis over the estimated period of the service.

Revenue primarily consists of net product sales and related revenues.

Use of estimates

The preparation of annual accounts in conformity with the Luxembourg legal and regulatory requirements requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the annual accounts. Estimates are used for, but not limited to, useful lives of fixed assets, valuation and impairment of investments, stock valuation and stocks purchase commitments, collectability of receivables, determining the selling price of products and services in multiple element revenue arrangements and determining the amortization period of these elements, incentive discount offers, sales returns, vendor funding, income taxes and contingencies. Actual results could differ materially from those estimates.

Amazon EU S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 3 - Intangible assets

Intangible assets mainly consist of intellectual property rights and other intangible assets.

	31 December 2016 TEUR	31 December 2015 TEUR
Cost at the beginning of the year	48,225	50,137
Additions	—	39,981
Disposals	(10,371)	(41,893)
Cost at the end of the year	<u>37,854</u>	<u>48,225</u>
Accumulated amortisation at the beginning of the year	(3,609)	(950)
Amortisation charged during the year	(5,413)	(3,677)
Disposals	—	1,018
Accumulated amortisation at the end of the year	<u>(9,022)</u>	<u>(3,609)</u>
Net book value at the end of the year	<u>28,832</u>	<u>44,616</u>

Note 4 - Tangible assets

Tangible assets consist of furniture and equipment, leasehold improvements, technology infrastructure and tangible assets under development.

	31 December 2016 TEUR	31 December 2015 TEUR
Cost at the beginning of the year	29,299	14,895
Additions	15,434	15,300
Disposals	(6)	(896)
Cost at the end of the year	<u>44,727</u>	<u>29,299</u>
Accumulated depreciation at the beginning of the year	(8,729)	(5,416)
Depreciation charged during the year	(5,808)	(3,509)
Disposals	5	196
Accumulated depreciation at the end of the year	<u>(14,532)</u>	<u>(8,729)</u>
Net book value at the end of the year	<u>30,195</u>	<u>20,570</u>

Amazon EU S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 5 - Shares in affiliated undertakings

Undertakings in which the Company holds at least 20% of their share capital are as follows:

Company name	Ownership		Carrying amount	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
	%	%	TEUR	TEUR
Amazon Data Services Ireland Limited, Ireland	100%	100%	434,440	434,440
Amazon UK Services Limited, UK (1)	100%	100%	284,626	98,540
Amazon Fulfillment Poland Sp. z o.o., Poland (2)	100%	100%	179,798	152,462
Amazon Spain Fulfillment, S.L., Spain (3)	100%	100%	89,011	12,011
Amazon Deutschland Services GmbH, Germany	100%	100%	79,430	79,430
The Book Depository Limited, UK	100%	100%	30,469	30,469
Amazon Italia Logistica S.r.l., Italy (4)	100%	100%	20,010	10
LOVEFiLM International Limited, UK (5)	100%	100%	5,418	345,845
FinLux S.à r.l., Luxembourg (6)	100%	100%	380	88,380
Others (7)			82,654	81,537
Total			1,206,236	1,323,124

- (1) In November 2016, the Company increased its investment in Amazon UK Services Limited, UK by a cash contribution of TGBP 160,000 (TEUR 186,086).
- (2) In 2016, the Company increased its investment in Amazon Fulfillment Poland Sp. z o.o., Poland by cash contributions of TPLN 117,500 (TEUR 27,336).
- (3) In 2016, the Company increased its investment in Amazon Spain Fulfillment, S.L., Spain by cash contributions of TEUR 77,000.
- (4) In July 2016, the Company increased its investment in Amazon Italia Logistica S.r.l., Italy by a cash contribution of TEUR 20,000.
- (5) In June 2016, the Company decreased its investment in LOVEFiLM International Limited, UK by TGBP 252,720 (TEUR 322,797) as a result of a capital reduction undertaken by LOVEFiLM International Limited, UK, in the form of an assignment of loans receivable. Subsequently, the Company received a dividend of TGBP 45,378 (TEUR 50,373) and, as a result, recorded a value adjustment of TEUR 17,630 on its investment.
- (6) In October 2016, the Company decreased its investment in FinLux S.à r.l., Luxembourg by TEUR 88,000 as a result of a capital reduction undertaken by FinLux S.à r.l., Luxembourg. Subsequently, the Company received an interim dividend of TEUR 16,000.
- (7) In November 2016, the Company received an interim dividend of TEUR 250,000 from Amazon Services Europe S.à r.l., Luxembourg.
In December 2016, the Company received, as a distribution in kind, the net assets of Amazon Luxembourg S.à r.l., Luxembourg following its dissolution without liquidation and, as a result, recorded a loss of TEUR 13,469 under "Interest payable and similar expenses".

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Note 5 - Shares in affiliated undertakings (continued)

Art. 65 paragraph (1) 2° of the amended law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings (the "law") requires the disclosure of the amount of capital and reserves and profit and loss for the last financial year of each affiliated undertaking. In conformity with art 67 (3) of the law these details have been omitted since the undertakings are included in the consolidated annual accounts of Amazon.com, Inc..

Note 6 - Stocks

	31 December 2016 TEUR	31 December 2015 TEUR
Stocks - gross	3,220,514	2,755,472
Provision for value adjustments	(246,010)	(262,278)
Stocks	<u>2,974,504</u>	<u>2,493,194</u>

Note 7 - Trade debtors

	31 December 2016 TEUR	31 December 2015 TEUR
Outstanding billed revenues	870,154	758,075
Provision for doubtful accounts	(33,081)	(25,874)
Trade debtors	<u>837,073</u>	<u>732,201</u>

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Notes to the annual accounts
As at 31 December 2016

Note 8 - Amounts owed by affiliated undertakings

Company name	Becoming due and payable		Total as at 31 December	
	within 1 year TEUR	after 1 year TEUR	2016 TEUR	2015 TEUR
A100 ROW GmbH, Germany				
Loan	—	57,882	57,882	71,768
Interest	1	—	1	343
Amazon Italia Logistica S.r.l., Italy				
Loan	—	55,890	55,890	55,303
Interest	1	—	1	2
Amazon Connect Technology Services (Beijing) Co., Limited, People's Republic of China				
Loan	—	47,243	47,243	47,254
Interest	695	—	695	575
Amazon Joyo Co., Limited, People's Republic of China				
Loan	—	16,954	16,954	16,918
Interest	204	—	204	127
A100 ROW Servicos De Dados Brasil Limitada, Brazil				
Loan	—	16,666	16,666	13,139
Interest	65	—	65	66
Amazon Europe Core S.à r.l., Luxembourg				
Loan	—	—	—	813,605
Interest	—	—	—	3,493
Other receivable	—	—	—	106,289
Amazon Services Europe S.à r.l., Luxembourg	60,617	—	60,617	---
Amazon Online Germany GmbH, Germany	24,834	—	24,834	---
FinLux S.à r.l., Luxembourg	27	—	27	89,462
Amazon Payments Europe S.C.A., Luxembourg	—	—	—	170,314
Others	28,486	1,248	29,734	67,063
	<u>114,930</u>	<u>195,883</u>	<u>310,813</u>	<u>1,455,721</u>

The interest income related to loans amounts to TEUR 12,091 for the year ended 31 December 2016 (2015: TEUR 10,620).

Note 9 - Investments

The following table summarizes other investments:

	31 December 2016 TEUR	31 December 2015 TEUR
Marketable securities	<u>205,636</u>	<u>111,008</u>

The market value of the other investments amounts to TEUR 206,084 as at 31 December 2016 (31 December 2015: TEUR 111,189).

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Note 10 - Capital and reserves

	31 December 2015 TEUR	Allocation of results TEUR	Translation adjustment TEUR	Capital increase TEUR	Results for the year TEUR	31 December 2016 TEUR
Subscribed capital	38	—	—	—	—	38
Share premium account	70,906	—	—	450,000	—	520,906
Revaluation reserve	54,522	—	6,820	—	—	61,342
Legal reserve	4	—	—	—	—	4
Other non available reserves	3,145	(605)	—	—	—	2,540
Profit or (loss) brought forward	(15,339)	289,659	—	—	—	274,320
Profit or (loss) for the financial year	481,778	(481,778)	—	—	43,066	43,066
Interim dividends	(192,724)	192,724	—	—	—	—
Total	402,330	—	6,820	450,000	43,066	902,216

Subscribed capital

As at 31 December 2016, the subscribed capital amounts to TEUR 37.5 divided into 3 shares with a par value of TEUR 12.5 each.

Share premium account

In December 2016, the Company received a cash contribution of TEUR 450,000 allocated to the share premium account.

Legal reserve

In accordance with the Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the legal reserve reaches 10% of the issued subscribed capital. The legal reserve is not available for distribution to the shareholder.

Other non available reserves

In accordance with Luxembourg tax law, in past years the Company allocated to non-distributable reserves (item "other non available reserves") amounts that corresponded to five times the amount of the Net Wealth Tax. This reserve is non-distributable for a period of five years from the year following the one during which the Net Wealth Tax was reduced.

Note 11 - Trade creditors

Trade creditors are due and payable within one year.

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As at 31 December 2016

Note 12 - Amounts owed to affiliated undertakings

Company name	Becoming due and payable		Total as at 31 December	
	within 1 year TEUR	after 1 year TEUR	2016 TEUR	2015 TEUR
Amazon Europe Core S.à r.l., Luxembourg	390,842	—	390,842	—
Amazon Media EU S.à r.l., Luxembourg	261,585	—	261,585	161,421
Amazon UK Services Limited, UK	144,064	—	144,064	209,056
Amazon.fr Logistique S.A.S., France	78,435	—	78,435	39,889
Amazon Instant Video Germany GmbH, Germany	67,277	—	67,277	63,434
Amazon Data Services Ireland Limited, Ireland	63,105	—	63,105	63,624
A100 ROW GmbH, Germany	50,007	—	50,007	9,337
Amazon Logistik GmbH, Germany	45,345	—	45,345	35,923
Amazon Instant Video Limited, UK	44,685	—	44,685	118,300
Amazon Deutschland Services GmbH, Germany	43,518	—	43,518	38,305
Amazon Development Centre (London) Limited, UK	42,304	—	42,304	34,024
Amazon Italia Logistica S.r.l., Italy	35,292	—	35,292	13,068
Amazon Koblenz GmbH, Germany	33,965	—	33,965	24,751
Amazon Spain Fulfillment, S.L., Spain	31,335	—	31,335	16,948
Amazon Europe Holding Technologies S.C.S., Luxembourg	—	—	—	1,653,038
Amazon Services Europe S.à r.l., Luxembourg	—	—	—	554,225
Others	301,390	5,068	306,458	198,234
	<u>1,633,149</u>	<u>5,068</u>	<u>1,638,217</u>	<u>3,233,577</u>

The amounts owed to affiliated undertakings mainly consist of payables for services provided and cash pooling arrangements.

The interest expense related to loans amounts to TEUR 19,751 for the year ended 31 December 2016 (2015: TEUR 49,674).

Note 13 - Tax

The Company is subject to all taxes applicable to commercial companies in Luxembourg, France, Germany, Italy, Spain and the United Kingdom. The Company has secured approval in conformity with Article 164 bis of the Luxembourg law on income tax, for the fiscal consolidation of the Company with Amazon Europe Core S.à r.l., Amazon Media EU S.à r.l., Amazon Payments Europe S.C.A., Amazon Services Europe S.à r.l. and FinLux S.à r.l.. The Company is under, or may be subject to, audit or examination and additional assessments by relevant authorities of these particular jurisdictions primarily for 2011 and thereafter. Although we believe our tax estimates are reasonable, the final outcome of such tax audits, examinations, or additional assessments could result in tax liabilities or payments that are materially different from our historical income tax provisions and accruals.

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Notes to the annual accounts
As at 31 December 2016

Note 13 - Tax (continued)

The Company is under examination or investigation or may be subject to examination or investigation by the French Tax Administration ("FTA") for calendar year 2006 and thereafter. These examinations may lead to ordinary course adjustments or proposed adjustments to our taxes. In September 2012, we received proposed tax assessment notices for calendar years 2006 through 2010 relating to the allocation of income between foreign jurisdictions. In June 2015, we received final tax collection notices for these years assessing additional French tax of €196 million, including interest and penalties through September 2012. We disagree with the assessment and intend to contest it vigorously. We plan to pursue all available administrative remedies, and if we are not able to resolve this matter, we plan to pursue judicial remedies. In addition to the risk of additional tax for years 2006 through 2010, if this litigation is adversely determined or if the FTA were to seek adjustments of a similar nature for subsequent years, we could be subject to significant additional tax liabilities.

In October 2014, the European Commission opened a formal investigation to examine whether decisions by the tax authorities in Luxembourg with regard to the corporate income tax paid by the Company and certain of its Luxembourg affiliates comply with European Union rules on state aid. If this matter is adversely resolved, Luxembourg may be required to assess, and we may be required to pay, additional amounts with respect to current and prior periods and our taxes in the future could increase.

Note 14 - Other creditors

Debts are recorded at their repayment value and summarized as follows:

	Becoming due and payable		Total at at 31 December	
	within 1 year	after 1 year	2016	2015
	TEUR	TEUR	TEUR	TEUR
Sales and related services	215,572	—	215,572	191,885
Other	52,018	58,884	110,902	115,166
	<u>267,590</u>	<u>58,884</u>	<u>326,474</u>	<u>307,051</u>

Note 15 - Deferred income

Deferred income is recorded when payments are received in advance of performing service obligations and mainly consists of unredeemed gift certificates and membership subscriptions.

Note 16 - Other external expenses

Other external expenses are related to the operations of the Company, including provision of services from affiliated undertakings.

Note 17 - Staff costs

The Company employed an average of 2,537 employees during the financial year 2016 (2015: 1,431).

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As at 31 December 2016

Note 18 - Emoluments

No emoluments, advances or credits were granted to the Board of Managers during the current and previous financial years.

Note 19 - Other operating expenses

Other operating expenses are primarily related to license agreements and royalties with third parties and affiliated undertakings.

Note 20 - Other interest receivable and similar income

Other interest receivable and similar income are primarily related to interest income and realized foreign exchange gains.

Note 21 - Interest payable and similar expenses

Interest payable and similar expenses are primarily related to interest expense and foreign exchange losses.

Note 22 - Litigation

The Company and its operations are subject to various lawsuits that have arisen in the course of business. Management is of the opinion that the ultimate outcome of such litigation is not anticipated to have a material adverse effect on the Company's annual accounts.

Note 23 - Commitments and contingencies

At 31 December 2016, the operating lease commitment amounts to TEUR 37,595 (2015: TEUR 29,349).

During the ordinary course of business, the Company provides guarantees, including guarantees for property leases on behalf of its affiliated undertakings.

In June 2015, the European Commission opened a proceeding against Amazon EU S.à r.l. to investigate whether provisions in Amazon's contracts with European publishers violate European competition rules. We believe we comply with European competition rules and are cooperating with the Commission.

See also "Note 13 - Tax".

Amazon EU S.à r.l.
Société à responsabilité limitée
Siège social: 5, rue Plaetis, L-2338 Luxembourg
Subscribed Capital: 37,500 EUR
RCS Luxembourg: B 101.818
(the « Company »)

It is noted that the profit and loss account shows a profit amounting to EUR 43,066,436.

The Sole Shareholder decided to allocate the result of the financial year ending on 31 December 2016 as follows:

• Profit brought forward	EUR	274,319,832
• Profit for the Financial Year	EUR	43,066,436
• Release of net wealth tax reserve for the financial year 2010	EUR	968,675
• Total aggregate profit carried forward	EUR	318,354,943

The result allocation is compliant with the proposition made by the Board of Managers.

For filing purpose to the ‘Registre de Commerce et des Sociétés de Luxembourg’.

Luxembourg, 15 March 2017.